

## **MINUTES**

### **MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN BOB DEPRATU**, on February 6, 2003 at 9:00 A.M., in Room 303 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Bob DePratu, Chairman (R)  
Sen. Bob Story Jr., Vice Chairman (R)  
Sen. Jerry W. Black (R)  
Sen. John C. Bohlinger (R)  
Sen. Jon Ellingson (D)  
Sen. Jim Elliott (D)  
Sen. Bill Glaser (R)  
Sen. Dan Harrington (D)  
Sen. Walter McNutt (R)  
Sen. Mike Taylor (R)  
Sen. Ken Toole (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Lee Heiman, Legislative Branch  
Shirley Herrin, Committee Secretary

**Video-taped Committee:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. A video-taped recording of the meeting is available from the Montana Historical Society.

**Committee Business Summary:**

Hearing & Date Posted: SB 289, 1/30/2003; SB 294,  
1/31/2003; SB 309, 2/3/2003  
Executive Action: None

**HEARING ON SB 294**

**Opening Statement by Sponsor:**

9:03        **SEN. KELLY GEPHARDT, SD 4, Roundup** "Revise interest rate applied to refund of protested property taxes".

**Proponents' Testimony:**

9:07        Ronda Carpenter, MT County Treasurer's Assoc.

9:09        Gordon Morris, Dir., MT Assoc. of Counties

**Opponents' Testimony:**    None

**Questions from Committee Members and Responses:**    None

**Closing by Sponsor:**

9:10        **SEN. KELLY GEPHARDT** closed on SB 294

**HEARING ON SB 309**

**Opening Statement by Sponsor:**

9:11        **SEN. JOHN BOHLINGER, SD 7, Billings** "Increase school funding from cigarette tax and video gambling tax".

**Proponents' Testimony:**

9:23        Eric Feaver, MEA/MFT

9:28        Carroll Krause, Interim Comm. of Higher Education

9:30        Madalyn Quinlan, representing Linda Mc Cullough, Superintendent of Public Education

9:31        Dr. Richard Sargent, representing American Cancer Society **EXHIBIT(tas26a01)** **EXHIBIT(tas26a02)**

9:39        Pat Melby, MT Medical Assoc.

9:40        Jane McCall, DDBC, MAIDS, MCI, MAR

9:41        Dick Paulsen, Exec. Dir, American Lung Association

9:43        Jeri Domme, MT Heart Assoc. **EXHIBIT(tas26a03)**

9:44        Erin McGowan, Protect MT Kids **EXHIBIT(tas26a04)**

9:45        Sarah Cobler, Associated Students of MT

9:50        Jeremy Seiltze, MSU Billings, MSU North

9:51        Kathy McGowan, MT Council of Health Centers

9:52        Jim Smith, MT County Attorneys Assoc. and MT Library Assoc.

9:54        Jack Copps, Exec. Dir., MT Quality Education Assoc.

9:55        Wally Melcher, MAIDS, SA Disability & Rehabilitation

9:57        Judy Smith, Fair Share Coalition

10:01       Gene Fenderson, PLC

10:02       Bob Vogel, MT School Boards Assoc. **EXHIBIT(tas26a05)**

10:04       Don Judge, Teamsters Local 190

**Opponents' Testimony:**

10:07 Jerome Anderson, R.J. Reynolds Tobacco Company  
**EXHIBIT (tas26a06)**  
 10:17 Mark Staples, Attorney, MT Tavern Assoc. and MT  
 Wholesale Distributors Assoc.  
 10:27 Timothy Lannaghan Outlaw Lounge owner, Kalispell,  
**EXHIBIT (tas26a07)**  
 10:31 Joe Kondelik, Commercial Bar, Townsend  
**EXHIBIT (tas26a08)**  
 10:33 John Wilmer, Bar owner, White Sulphur Springs  
 10:34 Gregg Straw, MT Nugget Casino Manager, Helena  
 10:35 Ameer Grmoljez, Phillip Morris Tobacco Company  
 10:39 Sam Johnson, Bar owner, Ennis  
 10:40 Ronda Carpenter, MT Coin Machine Operators Assoc.  
**EXHIBIT (tas26a09)** she also read a statement from Mary  
 Whittinghill **EXHIBIT (tas26a10)**  
 10:44 Steve Arntzen, Century Gambling, Billings  
 10:46 James Healow, Night Club owner, Billings  
 10:49 Martin Langehough, Rocky Mtn Gaming Assoc.  
 10:51 Orville Johnson, Yacht Basin, Helena  
 10:52 John Hayes, Talbot Insurance Agency & Cascade County  
 Tavern Assoc., Great Falls **EXHIBIT (tas26a11)**  
 10:54 Butch Miller, Exec. Dir., Gaming Assoc.  
 10:55 Bob Pavlovich, Tavern owner, Butte

**Informational Witnesses:**

11:00 Roger Hagen, MT Army National Guard

**Questions from Committee Members and Response:**

11:02 Begin  
 11:02 **SEN. KEN TOOLE** questioned Gene Huntington, Gambling  
 Control  
 11:44 Ended  
 42min Time elapsed

**Closing by Sponsor:** **SEN. BOHLINGER** closed on SB 309.

11:45 **CHAIRMAN DE PRATU** called a short recess

**HEARING ON SB 289**

**Opening Statement by Sponsor:**

11:54 **SEN. JON ELLINGSON, SD 33, Missoula,** "Revise formula  
 for video gambling machine taxation". **EXHIBIT (tas26a12)**  
**EXHIBIT (tas26a13)**

**Proponents' Testimony:**

12:01 Eric Feaver, MEA/MFT  
12:03 Gene Fenderson, PLC, **EXHIBIT (tas26a14)**  
12:15 Don Judge, Teamsters Local 190  
12:16 Judy Smith, Fair Share Network  
12:17 Wally Melcher, MAIDS -SA

**Opponents' Testimony:**

12:18 Mark Staples, Attorney, MT Tavern Assoc. & MT  
Wholesalers Distributors Assoc.  
12:20 Ronda Carpenter, MT Coin Machine Operators Assoc.  
12:21 Rich Miller, Exec. Dir., MT Gaming Assoc.  
12:23 Mike Hope, Bozeman  
12:25 Sam Johnson, Ennis, Self  
12:26 Timothy Lannaghan, Kalispell  
12:26 John Wilmer, Bar Owner, White Sulphur Springs  
12:26 Martin Langehough, Rocky Mountain Gaming Assoc.  
12:27 Joe Kondelik, Commercial Bar, Townsend  
12:27 John Hayes, Talbot Insurance Agency, GT. Falls

**Questions from Committee Members and Responses:**

12:28 Begin  
12:37 Ended  
9 min Time elapsed

**Closing by Sponsor:**

12:37 **SEN. ELLINGSON** closed on SB 289

**ADJOURNMENT**

Adjournment: 12:39 P.M.

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SEN. BOB DEPRATU, Chairman

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SHIRLEY HERRIN, Secretary

BD/SH

**EXHIBIT (tas26aad)**